

## Line 49—Child Tax Credit

### What Is the Child Tax Credit?

This credit is for people who have a qualifying child (defined below). It is in addition to the credit for child and dependent care expenses on Form 1040, line 45, and the earned income credit on Form 1040, line 63.

### Four Steps To Take the Child Tax Credit!

- Step 1.** Make sure you have a qualifying child for the child tax credit (defined below).
- Step 2.** Make sure you checked the box in column (4) of line 6c on Form 1040 for each qualifying child.
- Step 3.** Make sure you know the amount of any advance child tax credit payment you received (before offset) in 2003 (see below).
- Step 4.** Answer the questions on this page to see if you may use the worksheet on page 41 to figure your credit or if you must use Pub. 972, Child Tax Credit. If you need Pub. 972, see page 7.

### Qualifying Child for Child Tax Credit

A qualifying child for purposes of the child tax credit is a child who:

- Is claimed as your dependent on line 6c, **and**
- Was **under age 17** at the end of 2003, **and**
- Is your **(a)** son, daughter, adopted child, stepchild, or a descendant of any of them (for example, your grandchild); **(b)** brother, sister, stepbrother, stepsister, or a descendant of any of them (for example, your niece or nephew), whom you cared for as you would your own child; or **(c)** foster child (any child placed with you by an authorized placement agency whom you cared for as you would your own child), **and**
- Is a U.S. citizen or resident alien.

**Note.** The above requirements are not the same as the requirements to be a qualifying child for the earned income credit.

An **adopted child** is always treated as your own child. An adopted child includes a child placed with you by an authorized placement agency for legal adoption even if the adoption is not final. An authorized placement agency includes any person or court authorized by state law to place children for legal adoption.

### Advance Child Tax Credit Payment

You must reduce your 2003 child tax credits by any advance child tax credit payment you received in 2003. Enter the amount of any advance payment you received (before offset) on line 2 of your Child Tax Credit Worksheet. The amount of your advance payment (before offset) is shown on **Notice 1319**. This notice was mailed to you in 2003. If you do not have this notice, you can check the amount of your advance payment (before offset) on the IRS website at [www.irs.gov](http://www.irs.gov) or call us at **1-800-829-1040**. For details on offsets, see **Refund Offset** on page 56.

If you filed a joint return for 2002, but for 2003 you are not filing a joint return (or a joint return with the same spouse), you are considered to have received one-half of the advance payment.

**Example 1.** You filed a joint return for 2002 and received an advance child tax credit payment (before offset) of \$800. You were divorced and are filing using head of household status for 2003. You are considered to have received an advance payment (before offset) of \$400. When figuring your child tax credit for 2003, you would enter \$400 on line 2 of your Child Tax Credit Worksheet.

**Example 2.** You filed a joint return for 2002 with your wife, Jane. You and Jane received an advance child tax credit payment (before offset) of \$400. In 2003, you and Jane got divorced. After the divorce became final, you married Mary, with whom you are filing a joint return for 2003. Mary filed using head of household status for 2002 and received an advance child tax credit payment (before offset) of \$400. When figuring your child tax credit for 2003, you and Mary would enter \$600 (Mary's \$400 advance payment plus your \$200 advance payment) on line 2 of your Child Tax Credit Worksheet. You would include \$600 on line 2 of the worksheet even if you are claiming only Mary's child.

If you received an advance payment but did not have a qualifying child for 2003, you do not have to pay back the amount you received. Do not enter the amount of your advance payment on your return.

### Questions

### Who Must Use Pub. 972



1. Are you excluding income from Puerto Rico **or** are you filing any of the following forms?
  - Form 2555 or 2555-EZ (relating to foreign earned income)
  - Form 4563 (exclusion of income for residents of American Samoa)

☐ **No. Continue**

☐ **Yes.** You must use Pub. 972 to figure your credit.
2. Is the amount on Form 1040, line 35, more than the amount shown below for your filing status?
  - Married filing jointly – \$110,000
  - Single, head of household, or qualifying widow(er) – \$75,000
  - Married filing separately – \$55,000

☐ **No. Continue**

☐ **Yes.** You must use Pub. 972 to figure your credit.
3. Are you claiming any of the following credits?
  - Adoption credit, Form 8839 (see the instructions for Form 1040, line 50, on page 42)
  - Mortgage interest credit, Form 8396 (see the instructions for Form 1040, line 51, on page 42)
  - District of Columbia first-time homebuyer credit, Form 8859

☐ **No.** Use the worksheet on page 41 to figure your child tax credit.

☐ **Yes.** You must use Pub. 972 to figure your child tax credit. You will also need the form(s) listed above for any credit(s) you are claiming.